

Epilogue: 'The job is never done'

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In his prologue, Trevor Wilson observes that the period covered by the tenure of the five former DFAT secretaries encompassed times of 'intense and relentless public stress' for the department. During the years 1979–99, the application of 'new public management', with its emphases on performance, accountability and responsiveness, led to major transformations in the way Australian governments do business. The profound cultural changes wrought in the Australian Public Service (APS) over this period shaped the institutional and operational platform from which their successors, Dr Ashton Calvert (who served as secretary from 1998–2006) and Michael L'Estrange (the current DFAT secretary), would grapple with a volatile post-9/11 foreign and domestic policy environment defined, in part, by the 'War on Terror' (Bali, Iraq and David Hicks), failed or faltering regional states (East Timor, the Solomon Islands and Fiji) and global issues of the moment such as climate change (Kyoto and emissions trading), food security and energy security.

In response to a question put to him by a journalist at a 2 June 2008 press conference about rumoured 'policy paralysis' in the Department of Foreign Affairs and Trade, the Foreign Minister, the Hon. Stephen Smith, replied:

[I]n a job like this, the job's never done. The work is never complete. The job is never done. And so I frankly don't pay much attention to what anonymous people might regard as a snapshot of a working day.

The job is never done in this business. And in the end, the Australian people will make a judgement about whether the foreign policy that we adopted, and the public policy that we adopted, was ultimately for Australia's national interest.¹

'The job is never done.' The minister's words have a truth and resonance with which both current and former secretaries of DFAT would surely agree. While the structural and systemic reforms of the Hawke-Keating and Howard governments surely transformed the operational culture and leadership style of the department, that transformation has on-going repercussions. If there is a truism about public administration, it is that stasis is illusory or, at best, temporary.

Ashton Calvert — punctilious professional and courageous thinker

In a media release on the occasion of the untimely death in November 2007 of former secretary Dr Ashton Calvert AC, then Minister for Foreign Affairs, Alexander Downer, remarked:

Ashton Calvert's leadership of DFAT at a time of immense change and challenge in the international environment was his crowning achievement. Through his personal example and the standards he set, Ashton upheld clarity of focus and the highest standards of governance in the work of the department, while simultaneously delivering strong policy outcomes for Australia across a broad range of foreign policy and trade issues.²

Downer went on to say that Dr Calvert was 'frank and fearless in the best tradition of Australia's distinguished public service'. Downer's opinion was indeed shared by some on the other side of politics. The late Peter Cook, who was Trade Minister in the Keating government from 1993–94 and, later, professor at Curtin University, observed of Calvert before his death:

Dr Calvert is a true foreign affairs professional. He is, as well, an exemplary public servant. You couldn't have served both the Keating Government as a Senior Advisor and the Howard Government as Secretary of the Department in positions of absolute trust unless you were anything short of being exemplary. In my experience Dr Calvert offers fearless advice and then conscientiously implements the decisions that are taken by the government. I think his own view is, which is both frightening and reassuring for ministers, is that ministers should get all the credit for what they do and they should get all the blame as well.³

Paul Keating's biographer, Don Watson, described Ashton Calvert as 'an astute, punctilious professional of undisguised ambition and a streak of zeal' who, as advisor on international affairs, had earned Keating's respect as 'a good and courageous thinker' (Watson 2002: 71; 406). Keating himself said of Calvert that he was 'an outstanding diplomat' with a 'hard-headed, take-no-prisoner approach to international affairs'.⁴

It is ironic, therefore, that Graeme Dobell⁵, in a 2003 critique of what he termed a culture of 'diplomatic compliance' in DFAT on Calvert's watch, asserted:

... self-censorship has become an ambassadorial art form; well-understood protocols ensure ministers are not told what they don't want to hear and professional discipline is reinforced by a 'culture of compliance'. (Dobell 2003: 67)

Dobell's article laments the impact on the 'ethos of DFAT' of the 'series of revolutions imposed on the public service by the Hawke-Keating and Howard governments' aimed at transforming its management culture (Dobell 2003: 69). Of course, Dobell is not alone in his fears that the capacity to offer considered and impartial policy advice has been compromised by a heightened emphasis on 'responsiveness' to government. Here it should be noted that the principle of 'responsiveness' is enshrined in the APS Values in the *Public Service Act 1999* in the following terms:

the APS is responsive to the Government in providing frank, honest, comprehensive, accurate and timely advice and in implementing the Government's policies and programs (S9, Part 3, 10(f)).

The concern, as expressed by Dobell, seems to be that 'responsiveness', in the case of DFAT, has tipped into political compliance and, even, complicity.

Such concerns are not exclusive to DFAT. A number of commentators hold that the qualities of 'frank and fearless' have long been in decline across the APS. Indeed, in a recent ANZSOG monograph, *Whatever Happened to Frank and Fearless? The impact of new public management on the Australian Public Service*, Kathy MacDermott clinically examines the evidence for such a decline and comes to similar conclusions. It is not, however, my purpose here to digress into a critique of the evolving relationship between the administrative and executive arms of government in Australia — others have done that capably and at length elsewhere. Instead, I wish to briefly explore from the perspective of the players themselves, the principal operational (as opposed to policy) challenges facing DFAT in the contemporary era.

Calvert himself — perhaps owing to the 'clarity and focus' of which Downer spoke — well understood the practical operational challenges faced by a department like DFAT. Dobell, citing Calvert, portrayed the 'realpolitik' within which departmental secretaries now work:

The man at the centre of DFAT, the secretary, Ashton Calvert, argues there was never a public service golden age: 'The implication seems to be that there was some previous period when public servants were free to decide things themselves, which is not what I recall. I don't think it would be healthy or democratic if that were the case.' He agrees there has been cultural change but sees it more as a response to staff cuts, technological change and the complexity of issues modern government confronts. Foreign Affairs must be more of a team player in a whole-of-government process: 'We most certainly are much better integrated and better embedded in the broader public service than before'. (Dobell 2003: 72-73)

Of course, Calvert, at different points in his career, walked both sides of the fence, first as a foreign policy adviser to former Prime Minister Paul Keating and then as a bureaucrat. In some respects, the shift from political insider to government official might have seemed to him rather constraining. In his book, *Engagement: Australia Faces the Asia-Pacific*, Keating (2000) draws a clear distinction between the *modus operandi* of a policy adviser and a departmental secretary:

Next to the foreign minister, the adviser's job is, I believe, the second most important in the Australian foreign policy firmament. *Free of the administrative burden which the secretaryship of the Department of Foreign Affairs and Trade has*, the adviser's job is principally about policy. But unlike most policy jobs, *it carries with it the live conduit of power.* (emphasis added)⁶

The transition from the role of policy advisor to departmental secretary might have been a difficult one, both for Calvert and the man who succeeded him, Michael L'Estrange, owing to the 'administrative burden' of which Keating speaks. Not only is the secretary expected to advise the minister and the government in relation to a complex and dynamic policy frontier, he/she is required to offer clear executive leadership and governance oversight in a department with over 3000 staff (including almost 1500 staff recruited overseas); a budget appropriation of over \$832 million; and non-financial assets valued at over \$1.5 billion.⁷ In addition, the department contains seven portfolio agencies and administers 38 principal Acts. If secretaries are accorded less freedom to wander the policy landscape, it is because their responsibilities are larger and more diverse while their accountabilities are more pointed. While the popular perception of the secretary's role may have been shaped by 'Yes Minister' caricatures of British Permanent secretaries effectively running their own foreign policy agendas in parallel to those of the government, such is not — and has, perhaps, never been — the case in Australia. More to the point, senior executives' 'accountability for performance' has certainly been heightened over the course of the last 25 years of public sector reform.

In a 1999 speech on 'The role of DFAT at the turn of the Century', Calvert observed that economic globalisation played a part in transforming the way DFAT does its work:

The Australian economy is now more open, internationally oriented and competitive than ever before.

As a consequence, more and more Australian companies of various sizes are increasingly engaged in international trade in an increasing number of foreign markets in an ever-widening range of products and services.

This means, of course, a bigger, not a smaller, role for DFAT in helping these companies by negotiating improved market access for Australian products and services either through the WTO or bilaterally, and by working with other governments to streamline procedures, harmonise standards and better manage quarantine arrangements.⁸

In addition, he noted that advances in information technology had 'produced a totally new dynamic in the international dissemination of policy-relevant information and proposals' with the result 'that many processes of bilateral and multilateral negotiations that were hitherto handled quietly by governments behind closed doors are now subject to virtually immediate scrutiny by informed groups in relevant countries'. He added that '[t]hese developments are certainly not something that DFAT resists' and drew attention to his department's efforts to make its website 'attractive and useful to the general public'. He also acknowledged that, in keeping with the main currents of contemporary public sector management, the '[d]isciplines of transparency, accountability and policy contestability are very healthy for an organisation like DFAT'.

With respect to the operational and budgetary challenges faced by the department under his stewardship, he observed that much of the Department's management reform work had been:

... concentrated on finding savings, for example, through judicious thinning of our overseas positions, including through replacement by locally employed staff.

At home, we have targeted our internal administrative practices, delivering important savings through streamlining and some outsourcing.

We have been able to use to real advantage the new flexibility available to departments under the Government's public-service reforms.

We now have the ability to set our own conditions, for example in relation to overseas terms and conditions for our staff.

Another area of opportunity has been the freedom that agencies now have in agreement-making to set the pay and other employment conditions for all staff.⁹

Calvert remarked that DFAT, in 1999, was 'clearly different from the former Department of Foreign Affairs before its amalgamation with the Department of Trade in 1987' and drew attention to 'the new emphasis that is now given to delivering practical services to a range of Australian clients beyond the Government itself' as well as to 'meeting the policy challenges we face in a modern, dynamic and effective way'.

In a June 2001 speech at a ceremony to launch the DFAT display in Canberra for the centenary of the Australian Public Service, he alluded to the stereotypes

of the foreign service portrayed in the media and drew attention to what he considered 'the acid test for the department':

That is, the work that we do providing passports for Australians to travel overseas and helping Australians who run into problems abroad. To put this in perspective, in 1999–2000 3.3 million Australians travelled abroad. Over the same period, we issued almost 1.15 million passports. That's one every 27 seconds. Each year DFAT assists more than 20,000 Australians in serious difficulty through our consular network of more than 150 points of service throughout the world. And over the past three years alone, DFAT staff in Canberra and on the ground have coordinated major efforts to ensure the safety of Australians affected by civil unrest in Indonesia and East Timor, Fiji, the Solomons and Papua New Guinea.¹⁰

In 2003, Calvert again reflected on the structural reforms pursued by DFAT that rendered it capable of being 'nimble and versatile, while still able to nurture and deploy a broad array of expertise and professional skills'.

Our goal has been to have not just high-quality and highly motivated staff, but staff who are well led and well managed; and staff who can deliver outcomes with respect to the Government's policy objectives and have careers that are professionally and personally fulfilling.¹¹

Calvert remarked that 'DFAT, like all public-sector agencies, has embraced very significant change over the past few years in response to the imperative for smaller, more cost-effective government' and outlined a number of structural reform initiatives aimed at strengthening the organisation, including:

- centralising the management of staffing (while at the same time maintaining DFAT's 'traditionally decentralised flows of policy advice to ministers') in order to confer an increased capacity to be 'responsive, flexible and efficient with respect to the deployment of staff' whilst ensuring fairness and transparency in relation to postings, placements and promotions;
- decreasing the number of staff working in the corporate management and corporate service areas 'in a rational and efficient manner, without detracting from [DFAT's] pursuit of the Government's other key policy objectives'; and
- delivering savings with respect to internal administrative practices through streamlining and outsourcing and leveraging technology.

He remarked that these changes enabled 'a much sharper focus on the Department's core foreign and trade policy responsibilities, and on the practical services we provide to the Australian public.'

Michael L'Estrange — Secretary via 'the road less travelled'

In his six-and-a-half years as secretary, Ashton Calvert shepherded important and extensive reforms credited 'sharpening the Department's focus and lifting

its morale and productivity'.¹² These important legacies were appreciated by his successor, Michael L'Estrange who, in 2005, was able to observe: 'I inherited a department that worked extremely well' (Malone 2006: 37). Nevertheless, he added that the job 'is relentless and unpredictable to an extent because you are reacting to events' (Malone 2006: 39).

In a 2006 address to the National Press Club entitled 'Responding to Twenty-First Century Challenges: DFAT in a Changing World', L'Estrange noted the practical challenges faced by an organisation as complex as DFAT in which:

- Australia-based staff number just over 2000, of whom around a quarter are posted overseas at any one time;
- overseas postings include 87 Embassies, High Commissions, Consulates and Multilateral Missions in 74 States; and
- operations are conducted in 61 different currencies.

He also drew attention to the growing demand for consular services and support for travellers and Australian's abroad, including:

- substantial consular support services to Australians overseas (just under 16,000 cases in the year to June 2006);
- regular updates to travel advisories to 152 destinations; and
- issuing over 1.2 million passports to eligible Australians (in 2005–06).¹³

L'Estrange reflected on the fact that the APS and DFAT had changed fundamentally in the 25 years since he joined the public service, as a result of management reforms and broader environmental changes resulting in DFAT being 'intricately involved in the wide-ranging policy implications of increasing globalisation and because across so many areas of national policy — from security issues to national economic competitiveness to many others — the interaction between domestic and international considerations is more active and porous than ever before'.¹⁴

In a 2006 article published in *The Sydney Papers*, L'Estrange refers to the 'whole of government' realities of contemporary governance, noting that the time was 'long gone' when 'matters to do with "foreign policy" were clearly demarcated from those relating to "domestic policy"' (L'Estrange 2006: 74). He goes on to say that, more than ever before, 'Australia's international and domestic interests are significantly more aligned today — whether it be in relation to security issues or economic growth or national competitiveness' (L'Estrange 2006: 74-75). Mindful of 'whole-of-government realities', L'Estrange observes the priority attached to 'developing close and effective' relationships with 'the many departments and agencies which have important international operations or comparative benchmarks that increasingly share areas of intersection' (L'Estrange 2006: 74-75).

According to L'Estrange, the position of secretary has provided 'unique insights into the scale of the difficulties, dangers and personal risks that officers of the Department can face' in the course of their duties. His summary of the qualities and attributes required of DFAT officers can be seen as a microcosm of the challenges facing the department as a whole:

... we require of those who work today for the Department of Foreign Affairs and Trade a wide range of attributes. We require of them diplomatic skills — not of an effete, outdated or arcane kind but of a practical, hard-nosed and outcomes-oriented character. We require informed judgment and carefully focused activism. We require of our officers high quality advocacy skills to be applied within and beyond government. We require of them an awareness of appropriate opportunities for Australian export enterprises and a capacity to support them. And we require of them personal qualities that enable them to support and assist Australians in times of emergency or tragic loss, and to cope themselves with the pressures that they and their families come under in particular parts of the world. (L'Estrange 2006: 75)

L'Estrange continues the tradition of scholar turned mandarin — although, 'mandarin' may not be the most appropriate term, for as was observed in a 1997 article in the *Sydney Morning Herald*, men like L'Estrange 'represent "Washminster" — the combination of old-style Westminster governance where public servants operate at arm's length from the elected politicians, and Washington's system where all senior jobs are political appointments, spilled when the presidency changes hands' (Brough and Millett, 1997). Although he says of his career trajectory 'I came to the position of Secretary by a "road less travelled" compared to the career path of my predecessors'¹⁵, like Calvert, he was a Rhodes Scholar and studied at Oxford University, earning a First Class Honours in philosophy, politics and economics (Calvert also gained a Doctorate from Oxford University, in mathematics).¹⁶

Like Calvert too, L'Estrange has had to navigate some tricky political territory. Calvert had worked closely with Keating as a senior advisor on international affairs, yet his professionalism allowed him to rise above any perceived political association to be appointed secretary of DFAT by John Howard. In a similar way, L'Estrange continues as secretary under the Rudd government despite a reputation 'as a Liberal Party insider and conservative intellectual' as well as 'a close political ally and confidant' of former Prime Minister, John Howard (Malone 2006: 40). Clearly, professionalism and intellectual rigour are highly prized in this post as is experience in senior diplomatic posts (L'Estrange was High Commissioner to the United Kingdom from 2000 to 2005; Calvert was Ambassador to Japan from 1993 to 1998).

Still, the transition has not been entirely smooth sailing. In a recent article in the *Sunday Mail* veteran journalist, Glen Milne, alleged that L'Estrange had been deliberately omitted from the Prime Minister's entourage on his recent foray overseas, missing key meetings with US President George W. Bush, members of the US Congress and the US Chamber of Commerce, presumably because of his reputation as a 'Howard loyalist' (Milne 2008).¹⁷ Indeed, it is possible that working with a Prime Minister who is himself a former career diplomat might be a greater source of potential tension than any ideological differences, real or imagined. In any case, a degree of initial wariness is in keeping with the expected 'rough and tumble' of a period of political and administrative transition in which new governments generally hold suspect the impartiality and capacity of the bureaucracy, preferring the counsel of ministerial advisers, favoured lobbyists and assorted apparatchiks. Transition-of-government is a period of relationship-building and trust-building. The Rudd government's transition to office has, in fact, been remarkably smooth in marked contrast to the purge of departmental heads that followed Howard's ascension in 1996.

The future

Certainly, a transition of government would form a part of the fabric of the broader challenge of 'discerning clearly the elements of continuity and change in the international environment' to which L'Estrange addressed himself in his 2006 article. In the article he observes that, while not a new challenge for the department, it is nevertheless a challenge that 'bears very directly on the role and responsibilities of the Department of Foreign Affairs and Trade' because, 'in its modern form, it is a more complex, demanding and variable one than it has ever been':

Meeting this challenge requires the Department to show innovation and flexibility in responding to the dynamics of positive change. But it also calls for consistency, realism and steadiness of purpose in responding to the dynamics of continuity where the requirements for security and stability have not changed and where Australian interests are enduring.

That is why issues of change and continuity lie at the heart of the Department's responsibilities and why they are so critical to the advancement of Australian interests. (L'Estrange 2006: 83)

In a sense, the administrative, management and leadership challenges faced by Calvert and L'Estrange (and any future secretary of the department) reflect the continuation of about 25 years of ongoing and intensive structural reform and organisational change. Indeed, each of the secretaries whose experience is shared in this volume has had to constructively manage significant structural and institutional changes. The last 25 years has also seen significant domestic social and political transformation, international and geopolitical realignment and

economic repositioning. So too, the period has been characterised by rapid and profound technological change — not least of which is the revolution in communications technologies that have dramatically transformed the way large organisations do business. If the challenges, as observed by L'Estrange, are 'complex, demanding and variable', it is because the drivers of foreign and trade policy — not to mention institutional, structural and micro-economic reform — are similarly complex, demanding and variable. Change, and the need to respond positively and creatively to change, never stops.

Which, of course, is just another way of saying 'the job is never done'.

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ENDNOTES

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- ² Source: The Hon. Alexander Downer, MP, Media Release, 16 November 2007. 'Dr Ashton Calvert AC'. http://www.foreignminister.gov.au/releases/2007/fa142_07.html
- ³ Source: 'A confident and distinctive foreign policy', Speech given by Dr Ashton Calvert on the occasion of the seventh JCPML Anniversary Lecture marking the 60th anniversary of John Curtin's death, 5 July 2005. <http://john.curtin.edu.au/events/speeches/calvert.html>
- ⁴ Source: Paul Keating, *Engagement*, <http://www.keating.org.au/engagement.cfm>
- ⁵ Dobell is the Foreign Affairs and Defence Correspondent for Australian Broadcasting Corporation's *Radio Australia* and is a close observer of Australian political affairs.
- ⁶ Source: Paul Keating, *Engagement*, <http://www.keating.org.au/engagement.cfm>
- ⁷ Department of Foreign Affairs and Trade, *Annual Report 2005-2006*. http://www.dfat.gov.au/dept/annual_reports/05_06/index.html
- ⁸ Source: 'The Role of DFAT at the Turn of the Century', Address to the Canberra Branch of the Australian Institute Of International Affairs by Dr Ashton Calvert, Secretary, DFAT, Canberra, 4 February 1999. http://www.dfat.gov.au/media/speeches/department/990201_dfats_role.html
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- ¹² Source: Brief biography of Dr Ashton Calvert, John Curtin Prime Ministerial Library, Curtin University of Technology. <http://john.curtin.edu.au/events/speeches/calvertbiog.html>
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- ¹⁴ Ibid.
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- ¹⁶ Sources: Department of Foreign Affairs and Trade, Biographical Details for Mr. Michael L'Estrange, AO, Secretary - Department of Foreign Affairs and Trade. http://www.dfat.gov.au/dept/exec/lestrange_bio.html; Business Week Executive Profile of Ashton Calvert AC. <http://investing.businessweek.com/businessweek/research/stocks/people/person.asp?personId=20460755&capId=862503&previousCapId=631759&previousTitle=Lonza%20Group%20AG>
- ¹⁷ Of course, the fact that L'Estrange remains secretary of DFAT at all baffled some observers. In a recent article in *The Age*, Jodie Brough and Michael Millett observed that 'although you couldn't fit a cigarette paper between Howard and L'Estrange over the past 20 years, the Rudd Government has embraced him'. L'Estranger than fiction, perhaps?